

KEY BISCAYNE POLICE OFFICERS' & FIREFIGHTERS' RETIREMENT PLAN

Village Council Chambers
560 Crandon Blvd., Key Biscayne, FL 33149
REGULAR MEETING OF JULY 26TH, 2012

1. Call to Order – Chairman Michael Haring called the meeting of the Key Biscayne Police Officers' & Firefighters' Retirement Plan to order at 5:36 P.M.

Roll Call – Secretary Servando Parapar, Chairman Michael Haring, Jose L. Monteagudo and Martha Broucek.

OTHERS PRESENT: P/O Ivan Montero, President of the Police Officers' Union and F/F Nick Johnson, representing the Firefighters' Union, Alison S. Bieler, Esq., from Cypen & Cypen, Attorneys for the Plan and Joan L. Wall, Administrator.

2. Additions/Deletions to Agenda – Two invoices totaling \$1,750.00 from Burgess Chambers & Associates had been received since the agenda was posted. Jose Monteagudo moved to add them to the agenda under Item #4. Martha Broucek seconded the motion. The motion carried unanimously.

3. Approval of Minutes for May 24th, 2012. Chairman Haring presented the minutes from the previous meeting for approval. Jose Monteagudo moved to approve. Martha Broucek seconded the motion. The motion carried unanimously.

4. Approval of Invoices. Chairman Haring presented the invoices listed on the agenda in addition to the two from Burgess Chambers & Associates for approval and payment. Jose Monteagudo moved to approve payment. Martha Broucek seconded the motion. The motion carried unanimously, authorizing payment of the following:

Gabriel Roeder Smith & Co., Inv #118735 dated 6/13/12	\$ 7,100.00
Joan L. Wall, Administrator, 5/18 – 7/17/12, 32 ¼ hrs, plus expenses	\$ 1,540.03
Burgess Chambers & Associates, Inv #12-191 (Share)	\$1,546.05
Burgess Chambers & Associates, Inv #12-192 (DROP)	<u>\$ 203.95</u>
<u>TOTAL</u>	\$ 1,750.00

5. UNFINISHED BUSINESS – Annual Determination of the Fee to be charged (on a monthly basis) to each individual DROP Plan participant account (per action taken on May 26th, 2011) *continued from May 24th, 2012.* After lengthy discussion regarding the amount of the fees charged to evaluate the performance of the ICMA investment choices that would impact the small number of

DROP participants at any point in time, Jose Monteagudo moved to continue the matter until further notice, bringing it back for discussion in September when Burgess Chambers could provide input regarding the amount of the fees. Martha Broucek seconded the motion. The motion carried unanimously.

NEW BUSINESS

6. a) Review: Pension Reform Special Studies prepared February 2012 by Actuarial Concepts for the Firefighters' Retirement Plan at the request of the Village. Attorney Bieler commented this was for informational purposes only as pension benefits are subject to collective bargaining.

6. b) Schools & Conferences

- FPPTA, Trustees School, October 7th – 10th, 2012 at Hyatt Coconut Point in Bonita Springs, Fl.

6. c) Review: Division of Retirement May 29th, 2012 Memorandum regarding Local Retirement Plans Minimum Funding Basis: % of payroll –vs– fixed dollar contributions. In 2009 the Division of Retirement began requiring that local retirement plan contributions must minimally equal the amount of contributions determined using the percentage-of-payroll method. Due to changes in economic conditions the Division of Retirement has determined this method is not required for compliance with Part VII of Chapter 112, Florida Statutes. Effective immediately local governments should confer with their board actuary to select and maintain a contribution method that best fits the funding requirements of the plan and satisfies the legislative intent. The board took no action at this time.

6. d) Review: Cypen & Cypen June 25th, 2012 Memorandum regarding HB 401 – Effect of Divorce on Designated Beneficiaries. Attorney Bieler reviewed the impact of this current change that was effective July 1, 2012 and recommended review of the current beneficiary forms in use, with a form letter to be written to retirees along with revised beneficiary form. Attorney Bieler will provide sample letters for use.

7. Trustees' Concerns – The trustees requested placement on the September agenda "Discussion of items that should be addressed regarding assumption changes such as the mortality assumption" and inviting the actuary to attend the November meeting for further discussion on this subject.

8. REPORTS

- **Attorney** – None.
- **Administrator**
 - The 2011 Annual Report was approved on June 27th, 2012
 - P/O Nelia Real's disability application was in process

- Progress continues in the Merrill Lynch litigation matter
- Employees Annual Benefit Statements were given to Jose Monteagudo and Michael Haring for distribution to members
- **Other** – Included with agenda packages were the following:
 - May & June, 2012 Securities Monitoring Reports

9. Input from Active/Retired Members – None

10. Next Meeting Date/Adjournment. Chairman Haring announced the next regular meeting was scheduled for Thursday, September 27th, 2012. There being no further business before the board, Martha Broucek moved to adjourn at 6:30 P.M. Servando Parapar seconded the motion. The motion carried unanimously.

Respectfully submitted,

Servando Parapar, Secretary